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Farm, Rural, and Natural Resources Indicators

	1990	2000	2001	2002	2003	2004	Annual percent change 1990-2000	2002-03	2003-04
Cash receipts ($ billion)	169.5	192.1	200.1	195.0	216.6	241.2	1.3	11.1	11.4
Crops	80.3	92.5	93.3	101.0	111.0	117.8	1.4	9.9	6.1
Livestock	89.2	99.6	106.7	94.0	105.6	123.5	1.1	12.3	17.0
Direct government payments ($ billion)	9.3	22.9	20.7	11.2	17.2	13.3	9.4	53.6	-22.7
Gross cash income ($ billion)	186.9	228.7	235.6	221.0	249.5	271.7	2.0	12.9	8.9
Net cash income ($ billion)	52.7	56.7	60.1	49.5	71.6	85.5	0.7	44.6	19.4
Net value added ($ billion)	80.8	91.9	95.0	78.6	101.2	125.9	1.3	28.8	24.4
Farm equity ($ billion)	702.6	1,025.6	1,070.2	1,110.7	1,180.8	1,293.9 f	3.9	6.3	9.6
Farm debt-asset ratio	16.4	14.8	14.8	14.8	14.4	13.8 f	-1.0	-2.7	-4.2
Farm household income ($/farm household)	38,237	61,947	64,117	65,757	68,515	87,072 p	4.9	4.2	27.1
Farm household income relative to average U.S. household income (%)	103.1	108.6	110.2	113.7	116.0	na	0.5	2.0	na
Nonmetro-Metro difference in poverty rate (% points)	3.6	2.6	3.1	2.6	2.1	na	-3.2	-19.2	na
Cropland harvested (million acres)	310	314	311	307	315	312 p	0.1	2.6	-1.0
USDA conservation program expenditures ($ bil.)[1]	3.0	3.3	3.7	4.2	4.3	5.1	1.0	2.4	18.6

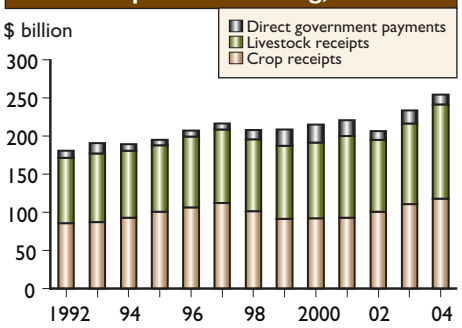
Food and Fiber Sector Indicators

U.S. gross domestic product ($ billion)	5,803	9,817	10,128	10,470	10,971	11,734	5.4	4.8	7.0
Food and fiber share (%)	7.9	5.8	5.8	5.8	4.9	na	-3.0	-15.5	na
Farm sector share (%)	1.3	0.7	0.7	0.7	0.8	na	-6.0	14.3	na
Total agricultural imports ($ billion)[1]	22.7	38.9	39.0	41.0	45.7	52.7	5.5	11.5	15.3
Total agricultural exports ($ billion)[1]	40.3	50.7	52.7	53.3	56.2	62.4	2.3	5.4	11.0
Export share of the volume of U.S. agricultural production (%)	18.2	17.6	17.6	16.7	17.9	16.3	-0.3	7.2	-8.9
CPI for food (1982-84=100)	132.4	167.9	173.1	176.2	180.0	186.2	2.4	2.2	3.4
Share of U.S. disposable income spent on food (%)	11.2	10.1	10.2	10.1	10.1	na	-1.0	0.0	na
Share of total food expenditures for at-home consumption (%)	55.4	53.3	53.9	53.8	53.1	na	-0.4	-1.3	na
Farm-to-retail price spread (1982-84=100)	144.5	210.3	215.4	221.2	225.6	232.9	3.8	2.0	3.2
Total USDA food and nutrition assistance spending ($ billion)[1]	24.9	32.6	34.2	38.0	41.8	46.2	2.7	10.0	10.5

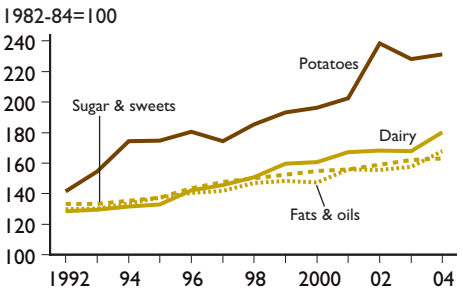
f = Forecast. p = Preliminary. na = Not available.

[1] Based on October-September fiscal years ending with year indicated.

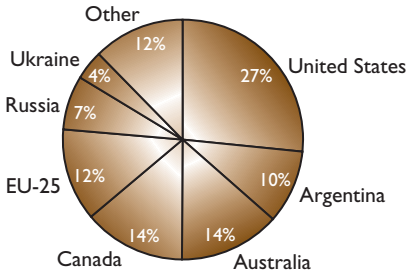
Cash receipts from farming, 1992-2004



Consumer price indexes for selected foods consumed at home



The world's largest wheat exporters, 2004/05



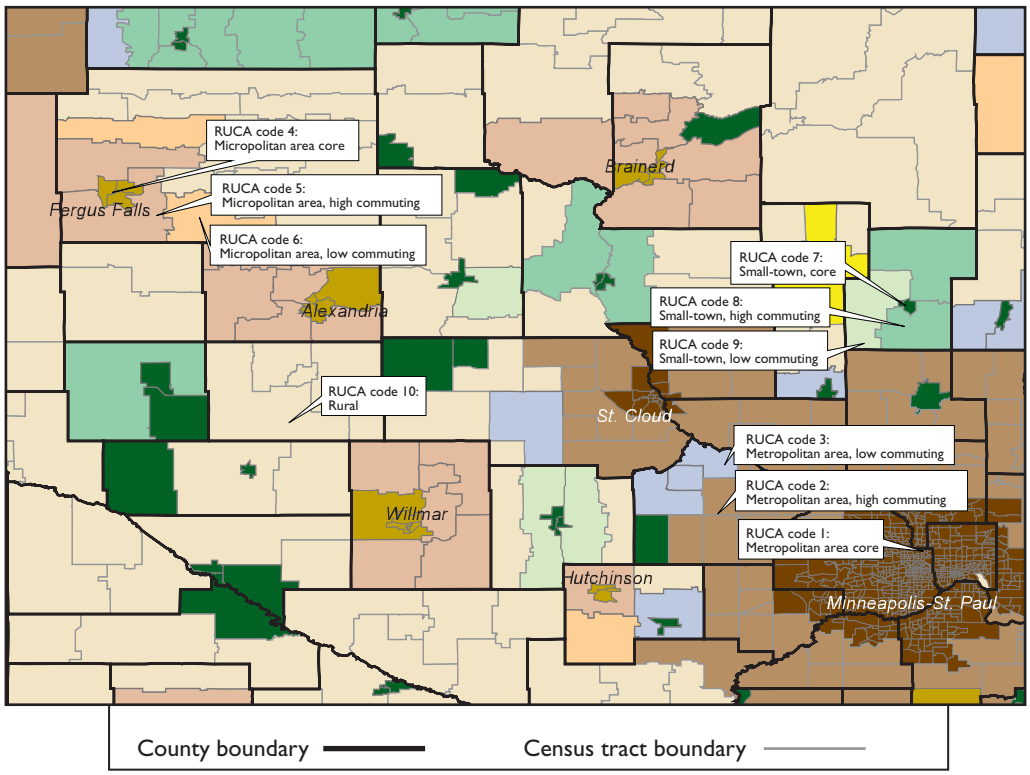
For more information, see www.ers.usda.gov/amberwaves/

Behind the Data

Rural-Urban Commuting Areas

ERS researchers and others who study conditions in rural America most often refer to conditions in nonmetropolitan (nonmetro) counties. Rural research and policymaking rely heavily on county-based approaches, but demand is increasing for greater geographic detail. The ERS rural-urban commuting area (RUCA) codes provide a flexible scheme for such a delineation because they employ a smaller unit of analysis—the census tract. The most recent version classifies census tracts using data from the 2000 decennial census, and is patterned after the metropolitan (metro) county classification system defined by the Office of Management and Budget (OMB).

Rural-urban commuting areas in central Minnesota



Source: USDA, Economic Research Service.

As defined by OMB, metropolitan (metro) areas include central counties with one or more urbanized areas of 50,000 or more people and outlying counties that are economically tied to the central counties as indicated by high work commuting. The remaining nonmetro counties are subdivided into two types: micropolitan (micro) areas and all remaining noncore counties.

RUCA codes classify census tracts using the same concepts of population density, urbanization, and daily commuting as OMB. The RUCA codes adopted terminology to highlight this underlying connectedness. Metro core areas identify continuously built-up areas of 50,000 or more people and micro cores contain populations of 10,000-49,999. By using census tracts instead of counties as building blocks for RUCA codes, small town core areas with populations between 2,500 and 10,000 could be added.

The classification contains two levels. At the first level, census tracts are classified based on the size and direction of their *primary* (largest) commuting flows (codes 1-10). Metro, micro, and small town cores (codes 1, 4, and 7) are defined as census tract equivalents of central counties. *High commuting* (codes 2, 5, and 8) means that the largest commuting share is at least 30 percent to a nearby metro, micro, or small town core. *Low commuting* (codes 3, 6, and 9) refers to cases where the single largest commuting flow is to a core but is less than 30 percent. The last of the general classification codes (10) identifies *rural* tracts where the primary flow is local or to another rural tract.

At the second level, the *primary* RUCA codes are subdivided to identify areas where classifications overlap, based on the size and direction of the *secondary*, or second largest, commuting flow. For example, *rural* tracts for which the primary commuting share is local but more than 30 percent also commute to a nearby core are coded 10.1 for metro, 10.2 for micro, and 10.3 for small town cores. Few, if any, research or policy applications would likely need the full set of 30 codes. Rather, the system allows for the selective combination of codes to meet varying needs.

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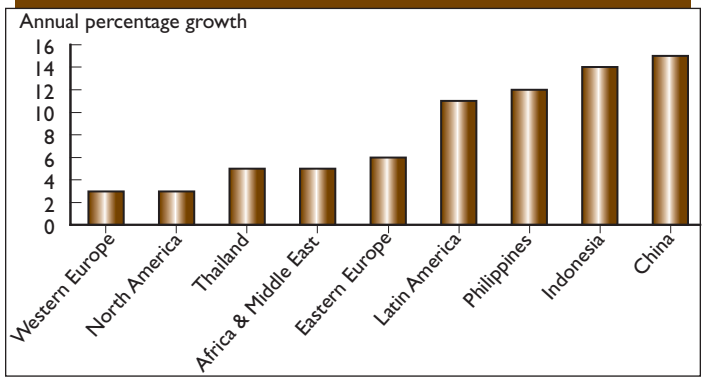
For more information . . .

Measuring Rurality: Rural-Urban Commuting Area Codes:
www.ers.usda.gov/briefing/rurality/ruralurbancommutingareas/

Markets and Trade

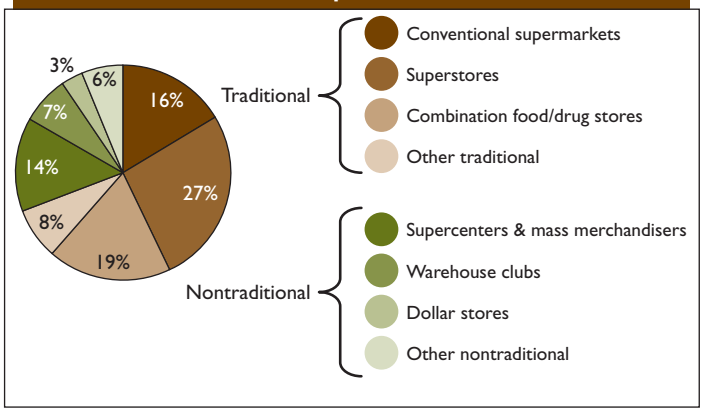
Consumption of dairy products grew rapidly between 1998 and 2004, especially in the emerging markets of Latin America and Asia



Source: USDA, Economic Research Service.

Diet and Health

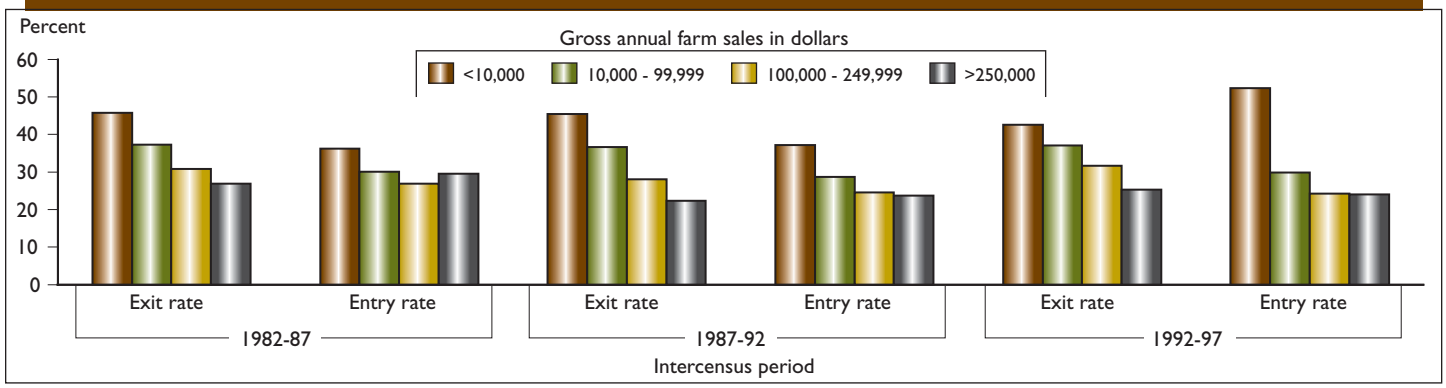
Nontraditional food retailers accounted for 31 percent of the $497 billion consumers spent for food at home in 2003



Source: Calculated by USDA, Economic Research Service using ACNielsen Homescan data.

Farms, Firms, and Households

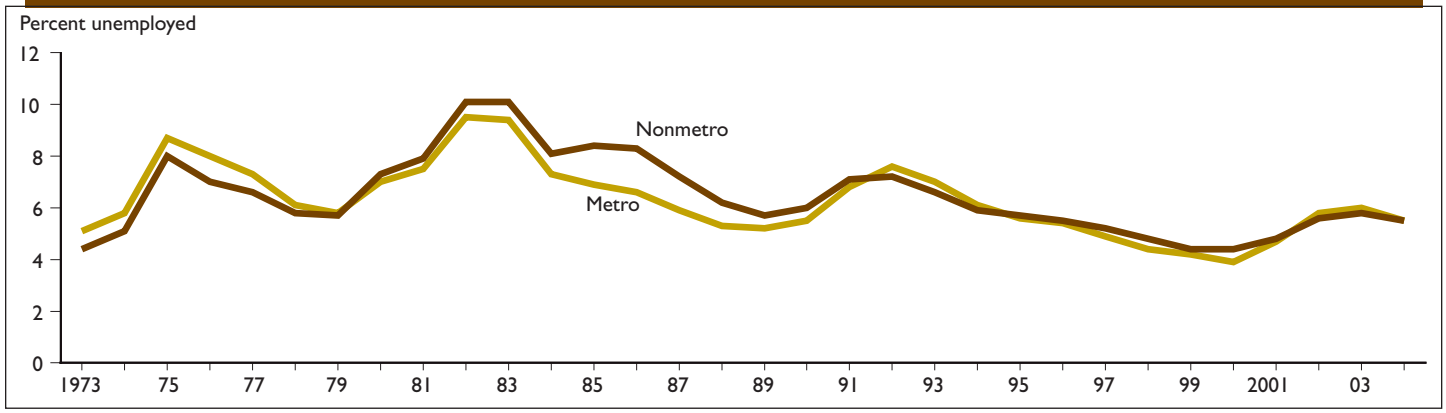
Operator exit and entry rates by farm sales class



Source: Compiled by USDA, Economic Research Service from the 1997 Census of Agriculture Longitudinal File. Notes: Exit and entry rates are the rates at which farm operators either leave or enter the business of farming.

Rural America

Metro and nonmetro unemployment, 1973-2004



Source: Prepared by USDA, Economic Research Service using data from the Bureau of Labor Statistics.

On the Map

Nonmetro unemployment improves slightly in 2004

The nonmetro unemployment rate improved slightly in 2004 from the previous year, falling from 5.8 to 5.5 percent. Nonmetro unemployment rates ranged from a high of 20.5 percent in the Wade Hampton Census Area in Alaska to a low of 1.6 percent in McPherson County in Nebraska. The highest unemployment rates in 2004 were concentrated in the Northwest, Alaska, the Mississippi Delta, and Northern Michigan.

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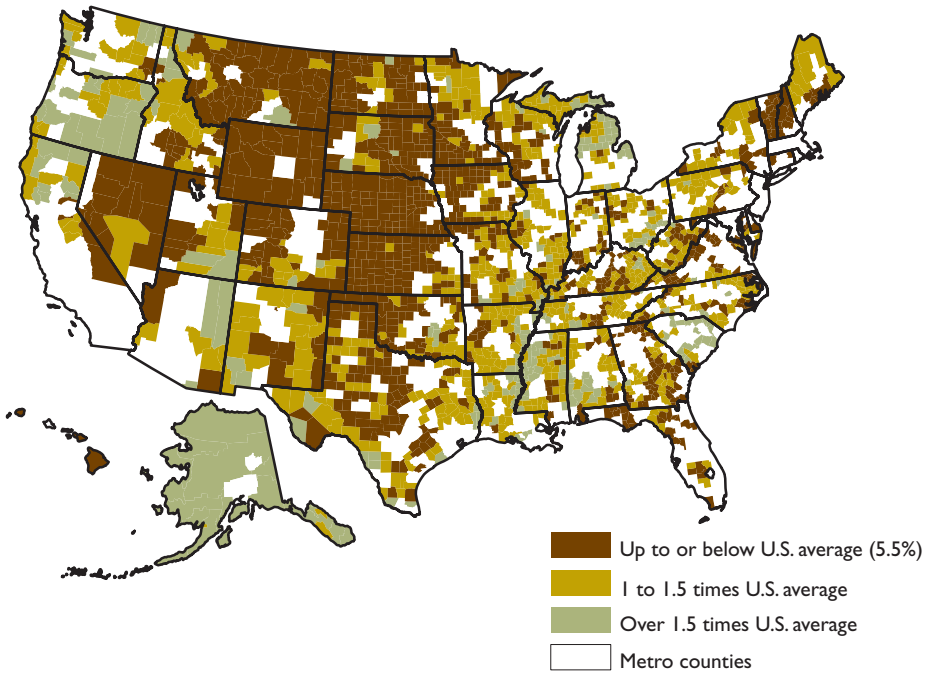
Nonmetro unemployment, 2004



Source: Prepared by USDA, Economic Research Service using data from the Bureau of Labor Statistics.

In the Long Run

Farm household income has grown in absolute terms, as well as relative to nonfarm households. The trend in farm household income growth has generally tracked the less volatile path of nonfarm household income growth. Since 1996, farm household incomes have exceeded nonfarm household incomes by 5 percent or more.

Farm households have a diversified earnings portfolio, consisting of farm business income, off-farm wage and self-employment income, and passive earnings from farm and nonfarm investments. While all sources of income contribute to household well-being, the driver behind the growth of farm household incomes is off-farm income. In fact, over half of farm household income was earned as wages and salaries from off-farm employment.

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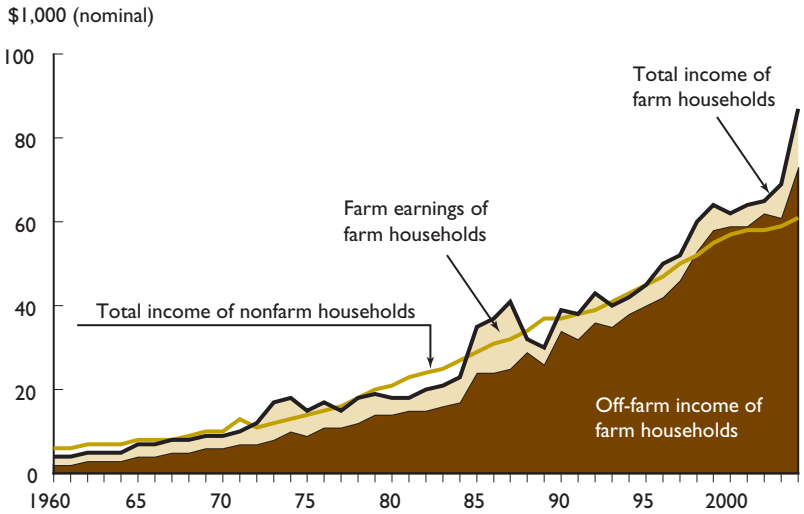
Farm operator household income by source compared with all U.S. household income, 1960-2004



Source: Various sources. For details, see www.ers.usda.gov/briefing/farmstructure/data/historic.htm